

CENTRAL INTELLIGENCE AGENCY  
INFORMATION REPORT

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COUNTRY **East Germany** REPORT

SUBJECT **VEB Sachsenwerk Radeberg: Television Receiver Production and Export** DATE DISTR. **31 March 1955**

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This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.  
THE APPRAISE OF CONTENT IS TENTATIVE.  
(FOR KEY SEE REVERSE)

1. In early February 1955, the Main Administration for Radio and Telecommunications Technology (HV RPT) again called a meeting with representatives of the State Planning Commission and the Ministry for Foreign and Domestic Trade for the purpose of discussing the problems of VEB Sachsenwerk Radeberg.<sup>1</sup> The meeting was called as the result of a report made by a special appointee of HV RPT who was sent to that enterprise during the latter part of January 1955 and who investigated its situation for one week. The report pointed out that the situation of the enterprise was "catastrophic" because of difficulties in disposing of television receiving sets, one of its main products for sale.
2. It was pointed out in the meeting that the 1955 production plan of VEB Sachsenwerk Radeberg provided for the manufacture of about 62,000 receiving sets. The bulk of this production, namely 41,500 sets, were to be exported to the USSR on the strength of previous trade agreements but the Soviets refused to accept them because of the lack of suitable containers. East German appeals to the Soviets which were made repeatedly not only had been unsuccessful but the Soviets had now informed DIA that they were cancelling the export order definitely regardless of the container problem. In view of the fact that this action by the Soviets would not only idle thousands of workers in VEB Sachsenwerk Radeberg but would also have serious repercussions for about 70 sub-contractor firms, Minister Heinrich Rau called upon Kurt Greger<sup>2</sup>, of the Ministry for Foreign and Domestic Trade, to make a personal last appeal for help to the Soviet Trade Delegation. Although the success of this intervention is not considered probable, Deputy Minister Alfred Wunderlich, responsible for Production Area General Machine Construction, released 14,500 television receiving sets with Russian frequency range for "anonymous production", i.e. for production not covered by orders. This decision was made in order to prevent the immediate idling of workers at VEB Sachsenwerk Radeberg.

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3. About 20,000 receiving sets to be produced in 1955 are for sale on the home market, but difficulties also exist here. The failure of the telecommunications industry to complete a number of new television transmitters will make the sale of the receiving sets on the home market almost impossible. Long drawn-out negotiations by the Ministry for Machine Construction with DEZ resulted in DEZ's taking upon itself the obligation of buying 10,000 of the 20,000 receiving sets produced for the home market. However, DEZ does not know how to dispose of them and what will be done with the remaining 20,000 sets is not known. Should the Soviets maintain their refusal to accept the receivers originally ordered by them, all receivers built with Russian frequency will have to be reconverted to East German frequency and the East German market will then be oversupplied with television receiving sets.

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2.

**Comment:** Although Gregor was removed from the position of Minister in November 1954, it is known that he was still signing ministerial decrees as late as 20 January 1955, but as State Secretary rather than Minister.

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